



RHB ISLAMIC BANK BERHAD 200501003283 (680329-V) Incorporated in Malaysia

PRODUCT DISCLOSURE SHEET

(Please read and understand this Product Disclosure Sheet together with the general terms and conditions governing the Wakalah Money Market Investment Account-i (WMMIA-i) before you decide to take up this product. Seek assistance from RHB Islamic Bank Berhad if you need further clarification on any part of this document or the terms used.)

WAKALAH MONEY MARKET INVESTMENT ACCOUNT-i (WMMIA-i)

Date: _____
[to be filled by Sales Personnel]

IMPORTANT/DISCLAIMER

THIS IS AN INVESTMENT ACCOUNT PRODUCT THAT IS TIED TO THE PERFORMANCE OF THE UNDERLYING ASSETS, AND IS NOT A DEPOSIT PRODUCT.

BRIEF INFORMATION ON THE PRODUCT

1. What is this product about?

| Name of Product | Wakalah Money Market Investment Account-i (WMMIA-i) | | | | | | | | | | | | | |
|---|---|----------------------|----|---------------------------|----------------------|----|------------------------|----|----|------------------------|----|--|--------------|------------|
| Applicable Shariah Contract | Wakalah bi Al-istithmar is a contract where a party, as principal (muwakkil) authorizes another party as his agent (wakil) to perform a particular task on matters that may be delegated, with or without imposition of a fee. A wakalah contract may be entered into for the purpose of investment (Wakalah bi Al-istithmar). | | | | | | | | | | | | | |
| Type of Investment Account | <p>“Unrestricted Investment Account” or “UA” refers to a type of investment account where the IAH provides the RHBIB with the mandate to make the ultimate investment decision without specifying any particular restrictions or conditions</p> <p>“Wakalah Money Market Investment Account-i” or “WMMIA-i” is a type of unrestricted investment account based on the Wakalah contract where the Investment Account Holder (IAH) as principal (muwakkil) authorizes RHB Islamic Bank (Bank) as his agent (wakil) to perform a particular task on matters that may be delegated for the purpose of investment (Wakalah bil Al-istithmar)</p> | | | | | | | | | | | | | |
| Underlying Asset / Asset Proportion | <p>RHBIB to invest in the following underlying asset:</p> <table border="1"> <thead> <tr> <th>No</th> <th>Type of Underlying Assets</th> <th>Investment Limit (%)</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td><<Underlying Asset 1>></td> <td>XX</td> </tr> <tr> <td>2.</td> <td><<Underlying Asset 2>></td> <td>XX</td> </tr> <tr> <td></td> <td>Total</td> <td>100</td> </tr> </tbody> </table> <p>RHBIB may, in line with the investment mandate and investment objective agreed between RHBIB and IAH adjust asset composition up to 90% of total fund size.</p> | | No | Type of Underlying Assets | Investment Limit (%) | 1. | <<Underlying Asset 1>> | XX | 2. | <<Underlying Asset 2>> | XX | | Total | 100 |
| No | Type of Underlying Assets | Investment Limit (%) | | | | | | | | | | | | |
| 1. | <<Underlying Asset 1>> | XX | | | | | | | | | | | | |
| 2. | <<Underlying Asset 2>> | XX | | | | | | | | | | | | |
| | Total | 100 | | | | | | | | | | | | |
| Parties involved in the Investment Activities and Their Roles and Responsibilities | The parties involved are the IAH as the investor and the Bank acting as the agent to undertake investment activities on behalf of the IAH. The Bank will be responsible to manage the capital provided by the IAH. The IAH will not be involved in the investment activities. | | | | | | | | | | | | | |

PRODUCT SUITABILITY

2. Who is this product suitable for?

| | |
|--|--|
| The product is suitable for investors | <ul style="list-style-type: none"> Whose risk appetite matched with investment objectives. Who require investment that comply with Shariah requirements Who are willing to accept potential risk of losing the capital invested in order to achieve potential higher profit than normal term deposit rate |
| Target Market | Corporate |
| Risk on Investment Principal | Investment principal is not guaranteed |

KEY PRODUCT FEATURES

3. What am I investing in?

Product Features

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| Investment | To invest in a portfolio of specific RHBIB's asset classes of which is expected to offer stable return over an |
|-------------------|--|

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|--|---|--|--------------|--|--------------------------------|-------------------|--------------|-------------------|-------------|------------------|--------------|------------------------|--------------|-------------------------------|-------------------|--|--|
| Objectives | agreed tenure of the investment. | | | | | | | | | | | | | | | | |
| Investment Strategy | The fund will be invested in a portfolio of specific asset to the investment funds via proportionate tagging. | | | | | | | | | | | | | | | | |
| Risk Assessment on the Performance of the Investment Assets | Via management of the underlying asset portfolio and quarterly performance reports of the investment fund. | | | | | | | | | | | | | | | | |
| Fund Type | Open-ended (with maturity date) | | | | | | | | | | | | | | | | |
| Currency | Ringgit Malaysia (RM) | | | | | | | | | | | | | | | | |
| Investment Limit | Minimum Investment Amount | RM 500,000.00 (Ringgit Malaysia: Five Hundred Thousand only) | | | | | | | | | | | | | | | |
| | Maximum Investment Amount | No maximum amount of investment by IAH | | | | | | | | | | | | | | | |
| Investment account fund size | Minimum Fund Size | RM 500,000.00 (Ringgit Malaysia: Five Hundred Thousand only) | | | | | | | | | | | | | | | |
| | Maximum Fund Size | No maximum amount of fund size (up to available Bank's allocated underlying asset) | | | | | | | | | | | | | | | |
| Investment Tenure | Overnight up to 364 days | | | | | | | | | | | | | | | | |
| Auto Renewal | Auto renewal is allowed | | | | | | | | | | | | | | | | |
| Effective Date of Investment by IAH | Upon placement by IAH (subjected to cut off time at 2.00 p.m) | | | | | | | | | | | | | | | | |
| Profit Treatment | <p>The distributable profit from investment will be paid to IAH based on the following:</p> <p>a) If actual profit is equal or above the expected profit agreed in terms and conditions at inception, RHBIB will pay the expected profit rate to the IAH and any excess thereof will be treated as performance incentive fee to RHBIB.</p> <p>b) If the actual profit of the underlying asset is below the expected profit rate, RHBIB will pay actual profit rate.</p> | | | | | | | | | | | | | | | | |
| Loss Treatment | <ul style="list-style-type: none"> Loss (if any) shall be borne by IAH provided that such losses are not due to the RHBIB's misconduct, negligence or breach of specified terms. In the event where the losses is due to the RHBIB's misconduct, negligence or breach of specified terms, RHBIB as wakil will be liable and shall pay the profit (subjected to expected profit) up to the event of breach and compensate for loss or damage including any actual cost suffered by the IAH. | | | | | | | | | | | | | | | | |
| Profit Calculation | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;"> $\text{Profit Calculation} = \text{Principal}^* \times \text{Profit Rate (\%)} \times \frac{\text{No. of day of placement period}}{365}$ </td> </tr> <tr> <td style="text-align: center;"> <i>* Daily closing balance</i> </td> </tr> </table> <p>Sample Illustration</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">Date of placement</td> <td style="width: 33%;">= 01/01/2019</td> <td style="width: 33%;">Investment tenure</td> <td style="width: 33%;">= Overnight</td> </tr> <tr> <td>Date of maturity</td> <td>= 02/01/2019</td> <td>Indicative Profit Rate</td> <td>= 3.20% p.a.</td> </tr> <tr> <td>Investment amount (Principal)</td> <td>= RM 1,000,000.00</td> <td></td> <td></td> </tr> </table> <p>Profit Calculation:</p> <p>Scenario 1 (Actual Profit > Indicative Profit)</p> <p>Actual Profit = 4.50%</p> <p><i>Bank to pay indicative profit upon maturity</i></p> <p>Amount payable to IAH = Principal X Profit Rate (%) X (Number of days of placement period)/ 365 days</p> <p style="margin-left: 40px;">= RM 1,000,000.00X 3.20% X (1/365 days)</p> <p style="margin-left: 40px;">= RM 87.67</p> | | | $\text{Profit Calculation} = \text{Principal}^* \times \text{Profit Rate (\%)} \times \frac{\text{No. of day of placement period}}{365}$ | <i>* Daily closing balance</i> | Date of placement | = 01/01/2019 | Investment tenure | = Overnight | Date of maturity | = 02/01/2019 | Indicative Profit Rate | = 3.20% p.a. | Investment amount (Principal) | = RM 1,000,000.00 | | |
| $\text{Profit Calculation} = \text{Principal}^* \times \text{Profit Rate (\%)} \times \frac{\text{No. of day of placement period}}{365}$ | | | | | | | | | | | | | | | | | |
| <i>* Daily closing balance</i> | | | | | | | | | | | | | | | | | |
| Date of placement | = 01/01/2019 | Investment tenure | = Overnight | | | | | | | | | | | | | | |
| Date of maturity | = 02/01/2019 | Indicative Profit Rate | = 3.20% p.a. | | | | | | | | | | | | | | |
| Investment amount (Principal) | = RM 1,000,000.00 | | | | | | | | | | | | | | | | |

| | |
|--|---|
| | <p><u>Scenario 2 (Actual Profit = Indicative Profit)</u> Actual Profit = 3.20% <i>Bank to pay indicative / actual profit upon maturity</i> Amount payable = Principal X Profit Rate (%) X (Number of days of placement period)/ 365 days to IAH = RM 1,000,000.00X 3.20% X (1/365 days) = RM 87.67</p> <p><u>Scenario 3 (Actual Profit < Indicative Profit)</u> Actual Profit = 3.00% <i>Bank to pay actual profit upon maturity</i> Amount payable = Principal X Profit Rate (%) X (Number of days of placement period)/ 365 days to IAH = RM 1,000,000.00X 3.00% X (1/365 days) = RM 82.19</p> |
| Profit Payment Frequency | Profit will be paid at maturity |
| Profit Payment Method | Payment of profit and principal will be credited into IAH's affiliate account maintain with the Bank. |
| Wakalah Fee | Not charged. RHBIB will earn profit via performance incentive fee. |
| Eligibility criteria for profit payment | Minimum investment period is overnight up until 364 days. IAH will not be entitled for accrued profit in the event of early redemption by IAH. |
| Key Terms and Conditions | <p>Redemption Redemption may be upon or prior to initially agreed maturity date. In the event of early redemption, IAH will not be entitled for accrued profit. Losses (if any) will be solely borne by the IAH unless such losses due to bank's misconduct, negligence or breach of specified terms in the contract. Setting-off any outstanding from financing amount due by the IAH (if IAH has a financing facility) against their placement in or return from their investment in WMMIA-i is not allowed.</p> <p>During maturity date, IAH may receive the available principal amount payable and accrued profit at maturity. (if any). In the event of loss, the loss will be deducted from principal amount.</p> |
| Documents Required | <ul style="list-style-type: none"> • WMMIA-i Account Opening Form • Product Disclosure Sheet (PDS) • Terms and Conditions • Customer Suitability Assessment (CSA); where applicable. |

4. What are the possible outcomes of my investment?

The performance of investment is subject to the performance of the underlying asset. In the event of non-payment by the Financing Customers, return to the IAH may be impacted and IAH may lose their principal amount.

Rate of Return for WMMIA-i

| Year | Underlying Asset 1 | Underlying Asset 2 | Average Rate of Return <i>(not required if only 1 underlying asset)</i> |
|------|--------------------|--------------------|--|
| 2014 | 4.97% | 4.88% | 4.93% |
| 2015 | 5.16% | 4.67% | 4.92% |
| 2016 | 5.59% | 4.45% | 5.02% |
| 2017 | 5.00% | 4.50% | 4.75% |
| 2018 | 4.95% | 4.71% | 4.83% |

Important Notes: Past performance of the investment is not an indication of its future performance

KEY RISKS

5. What is the key risk associated with this product?

The Bank will apply risk management controls over portfolio, legal and operational activities, including asset allocation, liquidity adherence to investment objective and parameters, valuation, monitoring performance and others as per guided in the BNM's Investment Account Policy. Notwithstanding the above, in times of adversity in the markets, the Bank may manage the asset allocation to safeguard the investment portfolio provided that such investment is within the investment objectives of the Fund.

As such, you are advised to carefully consider all risk factors before making an investment decision. IAH will be exposed to the following risks:

| | |
|----------------------|--|
| i. Market Risk | Refers to the potential impact of adverse price movements (ie: profit rate, foreign exchange rates or equity prices, where applicable) on the economic value of an asset |
| ii. Credit Risk | Refers to the potential that the Bank fails to meets its obligations to IAH in accordance with agreed terms and conditions |
| iii. Liquidity Risk | This RIA-i is non-transferable and non-tradable investment product. Hence, it carries the risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimise a loss or optimise any gain |
| iv. Operational Risk | Refers to the potential loss resulting from inadequate or failed internal processes, people and systems or external events |
| v. Legal Risk | IAHs should ensure that, in entering into this investment it is not in breach of any laws, regulations, contractual or any other legal limitations that may apply to investors. This investment is issued subject to all applicable laws, regulations and guidelines. In the event of change in such laws, regulations or guidelines, the Bank may be obliged to change some or all the terms and conditions of the investment, including the possibility of an early termination. |

FEES AND CHARGES
6. What are the fees and charges involved?

| No. | Items | Amount |
|-----|--------------------------------|--------|
| 1. | Wakalah Fee | - |
| 2. | Ad-hoc Fund Performance Report | Waived |

VALUATIONS
7. When will the valuation strategy and frequency are published?

The underlying asset is considered financing and receivables which are non-derivative assets with fixed and or determinable payments that are not quoted in an active market. The underlying asset is initially recognized at fair value and subsequently measured at amortized cost using effective profit method.

CONTACT INFORMATION
8. What do I need to do if there are changes to my contact details?

- It is important that you inform the Bank of any changes to your contact details to ensure that all correspondences reach you in a timely manner.
- You may informed the Bank such changes via various channels of communication such as the website, branches or call centre at 03-9206 8118 / 8228.

9. Who should I contact for further information or to lodge a complaint?

- To increase your awareness and financial literacy, You may refer to the consumer education booklet published in :
 - <http://www.bankinginfo.com.my/>
 - <http://www.insuranceinfo.com.my/>
- If you wish to complaint on the products or services provided by us, you may contact us at:

RHB Islamic Bank Berhad
Group Treasury & Global Markets
Level 3, Tower 2, RHB Centre
Jalan Tun Razak
50400 Kuala Lumpur
Email : mm.corporate.funding@rhbgroup.com
Web : www.rhbgroup.com



RHB ISLAMIC BANK BERHAD 200501003283 (680329-V) Incorporated in Malaysia

c) If your query or complaint is not satisfactorily resolved by us, you may contact

Bank Negara Malaysia LINK or TELELINK at:

Block D, Bank Negara Malaysia
Jalan Dato' Onn, 50480 Kuala Lumpur
Tel : 1-300-88-5465
Fax : 03 – 2174 1515
Email : bnmtelelink@bnm.gov.my
Web : <https://telelink.bnm.gov.my>
SMS : 15888

Ombudsman for Financial Services (OFS) (Formerly known as Financial Mediation Bureau) at:

Level 14, Main Block, Menara Takaful Malaysia,
No. 4, Jalan Sultan Sulaiman
50000 Kuala Lumpur
Tel : 03-2272 2811
Fax : 03 – 2272 1577
Email : enquiry@ofs.org.my
Web : <https://www.ofs.org.my>

10. Who should I contact for further information or to lodge a complaint?

- a) Should you require additional information on RHB Islamic Bank financing, please refer to the nearest Trade Finance Centre for a detailed description of the product features, benefit privileges and fee charges.
- b) If you have any enquiries, please contact us at:

RHB Islamic Bank Berhad
RHB Centre, Jalan Tun Razak,
50400 Kuala Lumpur.
Tel : 03 9206 8118
Fax : 03 9206 8088
Email : customer.service@rhbgroup.com
Web : www.rhbgroup.com

WARNING

THE RETURNS ON THIS INVESTMENT ACCOUNT WILL BE AFFECTED BY THE PERFORMANCE OF THE UNDERLYING ASSETS. THE PRINCIPAL AND RETURNS ARE NOT GUARANTEED AND CUSTOMER RISKS EARNING NO RETURNS AT ALL. IF THE INVESTMENT IS REDEEMED EARLY, CUSTOMER MAY SUFFER LOSSES IN PART OR THE ENTIRE PRINCIPAL SUM INVESTED. THIS INVESTMENT ACCOUNT IS NOT PROTECTED BY PERBADANAN INSURANS DEPOSIT MALAYSIA (PIDM)

The information provided in this disclosure sheet is valid as at <Choose date><Choose date><Choose date>

I/ We hereby confirm having explained the Product Disclosure Sheet (PDS) to Customer.

I/ We hereby confirm having received and understand the explanation given.

Staff Name:
Staff ID:

Name:
NRIC: